

### Remarks

#### 35 U.S.C. § 102 Rejection of Claim

In the May 5, 2004 office action, claims 1 through 10 are rejected under 35 U.S.C. § 102 (b) as being anticipated by Reilly. MPEP § 2131 provides that:

"A claim is anticipated only if each and every element as set forth in the claim is found either expressly or inherently described in a single prior art reference."

The Applicant traverses all U.S.C. § 102 (b) rejections based on Reilly by noting that the cited reference fails to disclose or anticipate elements cited in each of the referenced claims in the instant application. As a result, the 102 (b) rejections are improper as detailed in the Table below.

Original claim	Reilly Traversal includes:
Claims 1, 6, 7, 9, 10	1a) Reilly does not use data to identify factors affecting intellectual capital; <b>Conclusion: some of the elements of this claim are not described or anticipated by Reilly</b>
Claim 2,	2a) see 1a 2b) Reilly does not identify the inter-relationship between factors that affect intellectual capital <b>Conclusion: some of the elements of this claim are not described or anticipated by Reilly</b>
Claims 3, 4, 5 and 8	3a) see 2a and 2b 3b) Reilly does not create any summaries of intellectual capital impact on aspects of enterprise financial performance that are a function of the inter-relationship between factors <b>Conclusion: some of the elements of this claim are not described or anticipated by Reilly</b>

Reilly also teaches away from the method described in the instant application in several ways.

In the May 5, 2004 office action, claims 1 through 10, 12 through 15, 17 through 21 and 23 through 34 are rejected under 35 U.S.C. § 102 (b) as being anticipated by U.S. Patent 5,406,477 (hereinafter Harhen). MPEP § 2131 provides that:

“A claim is anticipated only if each and every element as set forth in the claim is found either expressly or inherently described in a single prior art reference.”

The Applicant traverses all U.S.C. § 102 (b) rejections based on Harhen by noting that the cited reference fail to disclose or anticipate elements cited in each of the referenced claims in the instant application. As a result, the 102 (b) rejections are improper as detailed in the Table below.

Original claim	Harhen traversal includes*:
Claims 1, 2, 6, 7, 9 and 10	1a) Harhen does not mention intellectual capital; 1b) Harhen teaches that users specify the variables that affect or effect other variables and components using two way relationships, and 1c) Harhen teaches that the resulting “model” is contradictory and incomplete and needs to be reconciled to produce a plausible argument in support of a given variable projection. <b>Conclusion: some of the elements of this claim are not described or anticipated by Harhen</b>
Claims 3, 4, 5 and 8	3a) See 1a and 1b, and 3b) Harhen does not mention impact summaries and teaches away from developing them <b>Conclusion: some of the elements of this claim are not described or anticipated by Harhen</b>

Original claim	Harhen traversal includes*:
<p>Claims 12, 13, 17, 18, 20 and 21</p>	<p>12a) Harhen does not mention intellectual capital; and  12b) Harhen teaches that users specify the variables that affect or effect other variables and components using two way relationships, and  12c) Harhen teaches that the resulting "model" is contradictory and incomplete and needs to be reconciled to produce a plausible argument in support of a given projection or forecast.  <b>Conclusion: some of the elements of this claim are not described or anticipated by Harhen</b></p>
<p>Claims 14, 15 and 19</p>	<p>14a) See 12a and 12b  14b) Harhen does not mention impact summaries  <b>Conclusion: some of the elements of this claim are not described or anticipated by Harhen</b></p>
<p>Claim 23</p>	<p>23a) Harhen does not mention valuation  <b>Conclusion: some of the elements of this claim are not described or anticipated by Harhen</b></p>
<p>Claims 24, 25 and 26</p>	<p>24a) Harhen does not describe the use of a common data dictionary,  24b) Harhen relies on the user to aggregate data;  24c) Harhen does describe a system for creating arguments to support a forecast from user assumptions  <b>Conclusion: some of the elements of this claim are not described or anticipated by Harhen</b></p>
<p>Claim 27</p>	<p>27a) see 24a, 24b and 24c  27b) Harhen does not create management reports, lists of changes to intangible assets that will optimize one or more aspects of financial performance and/or lists of changes to tangible assets that will optimize one or more aspects of financial performance  <b>Conclusion: some of the elements of this claim are not described or anticipated by Harhen</b></p>

Original claim	Harhen traversal includes*:
Claims 28, 29, 30	<p>28a) see 27a and 27b and 27c</p> <p>28b) Harhen does not mention intellectual capital value, real option value, market sentiment value or market value</p> <p><b>Conclusion: some of the elements of this claim are not described or anticipated by Harhen</b></p>
Claim 31	<p>31a) see 27a, 27b and 27c</p> <p>31b) Harhen does not described valuations, composite variables, performance indicators, relative contributions, impacts, value drivers, growth options, option discount rates, intellectual capital or equations that summarize element impact</p> <p><b>Conclusion: some of the elements of this claim are not described or anticipated by Harhen</b></p>
Claims 32, 33 and 34	<p>32a) Harhen does not describe or anticipate real options, market sentiment value and/or intellectual capital value.</p> <p><b>Conclusion: some of the elements of this claim are not described or anticipated by Harhen</b></p>

Harhen teaches that there is a tremendous need for many of the improvements in the state of the art detailed in the instant application that would eliminate the need to rely on incomplete, inconsistent and contradictory user assumptions. Harhen also teaches away from the method of the instant application in over a dozen ways.

In the May 5, 2004 office action, claims 1 through 10, 12 through 15, 17 through 21 and 23 through 34 are rejected under 35 U.S.C. § 102 (b) as being anticipated by U.S. Patent 5,680,305 (hereinafter Agpar). MPEP § 2131 provides that:

"A claim is anticipated only if each and every element as set forth in the claim is found either expressly or inherently described in a single prior art reference."

The Applicant traverses all U.S.C. § 102 (b) rejections based on Agpar by noting that the cited reference fail to disclose elements cited in each of the referenced claims in the instant application. As a result, the 102 (b) rejections are improper as detailed in the Table below.

Agpar relies on a series of indicators that he assumes to be relevant to create the Agpar score. The maximum Agpar score is ten.

Original claim	Agpar traversal includes:
Claims 1, 2, 6, 7, 9 and 10	1a) Agpar does not mention intellectual capital; 1b) Agpar teaches using factors that are assumed to be important <b>Conclusion: some of the elements of this claim are not described or anticipated by Agpar</b>
Claims 3, 4, 5 and 8	3a) See 1a and 1b 3b) Agpar does not mention impact summaries <b>Conclusion: some of the elements of this claim are not described or anticipated by Agpar</b>
Claims 12, 13, 17, 18, 20 and 21	12a) Agpar does not mention intellectual capital and/or intangible assets; 12b) Agpar teaches using factors that are assumed to be important <b>Conclusion: some of the elements of this claim are not described or anticipated by Agpar</b>

Original claim	Agpar traversal includes:
Claims 14, 15 and 19	14a) See 12a and 12b 14b) Agpar does not mention impact summaries <b>Conclusion: some of the elements of this claim are not described or anticipated by Agpar</b>
Claim 23	23a) Agpar does not mention valuation, intellectual capital and/or intangible assets <b>Conclusion: some of the elements of this claim are not described or anticipated by Agpar</b>
Claims 24, 25 and 26	24a) Agpar does not describe the use of a common data dictionary <b>Conclusion: some of the elements of this claim are not described or anticipated by Agpar</b>
Claim 27	27a) see 24a 27b) Agpar does not create lists of changes to intangible assets that will optimize one or more aspects of financial performance 27c) Agpar does not create lists of changes to tangible assets that will optimize one or more aspects of financial performance <b>Conclusion: some of the elements of this claim are not described or anticipated by Agpar</b>
Claims 28, 29 and 30	28a) see 27a through 27c 28b) Agpar does not mention intellectual capital value, real option value, market sentiment value or market value <b>Conclusion: some of the elements of this claim are not described or anticipated by Agpar</b>

Original claim	Agpar traversal includes:
Claim 31	31a) see 27a through 27c, 31b) Agpar does not described valuations, , relative contributions, impacts, value drivers, growth options, option discount rates, intellectual capital or equations that summarize element impact <b>Conclusion: some of the elements of this claim are not described or anticipated by Agpar</b>
Claims 32, 33 and 34	32a) Agpar does not teach quantifying the impact of assets – instead factors assumed to affect real estate are summarized in the Agpar score. <b>Conclusion: some of the elements of this claim are not described or anticipated by Agpar</b>

Agpar also teaches away from the method described in the instant application in over a half dozen ways.

### 35 U.S.C. § 103 Rejection of Claims

In the 5 May 2004 office action, claims 1 - 34 are rejected under 35 U.S.C. § 103 (a) as being unpatentable over Reilly in view of Harhen and Agpar. This Examiner supplements the theoretical combination of Reilly, Harhen and Agpar with official notice that Markov Chain Monte Carlo models are well known in the business arts.

The Applicant traverses all § 103 rejections by noting that the 5 May 2004 office action fails to establish the prima facie case of obviousness required to sustain § 103 rejections. A prima facie case for obviousness requires, among other things, a combination or modification of references that would make the invention obvious and a suggestion to combine or modify the references. More specifically, MPEP § 2143.01 provides:

The mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination.

The Applicant will detail two distinct ways in which the 5 May 2004 office action fails to establish a prima facie case of obviousness while noting that there are several other ways in which all § 103 rejections can be traversed.

One of the ways in which the 5 May 2004 office action fails to establish a prima facie case of obviousness is that the Examiner has not provided references that can be combined or modified to describe a single claim. For example, none of the cited references alone or in combination use aggregated data to identify the factors that affect intellectual capital – this means claims 1 through 23 are not described. None of the cited references alone or in combination describe systems for valuing the elements of intellectual capital or any other element – this covers claim 24. None of the cited references alone or in combination describe the use of common data dictionary – this covers claims 25 through 31. Similarly, none of the cited references alone or in combination quantify the impact of assets on aspects of financial performance which covers the remaining claims. Along these same lines, the Official Notice provided by Examiner is moot because the Examiner has not provided references that alone or in combination describe the creation of element impact summaries and/or the use of element impact summaries to create enterprise models that can be optimized using Markov Chain Monte Carlo algorithms.

Another way in which the 5 May 2004 office action fails to establish a prima facie case of obviousness is that it does not provide any evidence indicating that there was any suggestion, teaching or motivation in the prior art to modify or combine the teachings of Reilly, Harhen and Agpar. When determining obviousness, “a showing of a suggestion, teaching or motivation to combine prior art references is an essential component of an obviousness holding” (In re Fine, 837 F.2d 1071, 1075, 5 USPQ2d 1596, 1600 (Fed. Cir. 1988)).

Other ways in which the § 103 (a) obviousness rejections in the 5 May 2004 office action can be traversed include:

1. noting that the references teach that there is a motivation not to complete the theoretical combination proposed by the Examiner and it is well established that “teachings of references can be combined only if there is some



- suggestion or incentive to do so" quoting ACS Hosp. Sys., Inc. v Montefiore Hosp., 732 F.2d 1572, 1577 221 USPQ 929,933 (Fed. Cir. 1984); and
2. noting that the office action fails to teach how an enterprise reconciliation system, a real estate evaluation system and a method for valuing accounting practices would be combined to produce anything useful as it is well known that "particular findings must be made as to the reason the skilled artisan, with no knowledge of the claimed invention, would have selected these components for combination in the manner claimed" (In re Kotzab, 217 F.3d 1365, 1371, 55 USPQ2d 1313, 1317 (Fed. Cir. 2000). In other words, the Examiner has not described the manner in which the references would be combined or the reason(s) for doing so.

The Applicant also notes that there are still other ways in which all § 103 (a) obviousness rejections in the 5 May 2004 office action can be traversed.

#### 35 U.S.C. § 101 Rejection of Claim

In the 5 May 2004 office action, claims 1 through 34 are rejected under 35 U.S.C. § 101 as being unpatentable given the Examiner's opinion that the claims are directed to non-statutory subject matter. More specifically, the Examiner presents a two prong test for identifying statutory subject matter and offers an unsupported opinion that the cited claims fail to meet both prongs of this test. The first prong of this test is a technological arts requirement that lacks the support of precedent at this time. The second prong of the test is a requirement that the method produce results that are tangible (i.e. not disembodied from the physical world), concrete (i.e. assured or reproducible) and useful (i.e. have practical utility or real world value).

The Applicant traverses the § 101 rejections based on the first prong of the test in four ways. First, by noting that the rejection is based one step in a multi step process – in doing this the Examiner has failed to consider the invention as a whole in accordance with the guidance of MPEP 2106 A. Second, by noting that several computer processing steps are required to reach the impact summary step. Third, by noting that this step supports subsequent stages of processing. Fourth, by noting that the Examiner has failed to provide any evidence that the processing described for the impact summary step (or any other step) does not require the use of a computer. Under the Administrative Procedures Act (5 U.S.C.

§706(2)) actions, findings and conclusions by government agencies require the support of substantial evidence to be lawful. Given the foregoing, the Applicant notes that this rejection appears to be inconsistent with PTO policy as it was explained at the April Business Process partnership meeting that discussed, among other things, this new test that lacks the support of precedent. At the same time, the Examiner has provided ample evidence that a computer is required for the effective analysis of the multiplicity of factors that affect real world business performance even when the problem is simplified by making a series of assumptions.

The Applicant traverses all § 101 rejections based on the second prong of the test in two ways. First, by noting that the rejected claims each describe methods, systems and/or media for transforming data into results that are tangible (they concern physical entities like brands, customers, employees, partners, vendors and vendor relationships), concrete and useful (they support the analysis, management and optimization of real world business performance and real world business value). Second, by noting that the rejection is arbitrary and capricious because the Examiner has failed to provide any evidence that the claimed invention is not tangible, concrete and/or useful. Under the Administrative Procedures Act (5 U.S.C. §706(2)) actions, findings and conclusions by government agencies require the support of substantial evidence to be lawful.. In making this arbitrary determination the Examiner has also ignored teachings from the references he provided regarding the usefulness of the claimed invention.

#### 35 U.S.C. § 112 Claim Objections

The cancellation of the prior set of claims makes the § 112 Claim Objections moot.

**Reservation of Rights**

The Applicant hereby explicitly reserves the right to present the canceled and modified claims for re-examination in their original format. The cancellation and modification of the pending claims to put the instant application in a final form for allowance and issue is not to be construed as a surrender of subject matters covered by the original claims before their modification or cancellation.

**Summary/Conclusion**

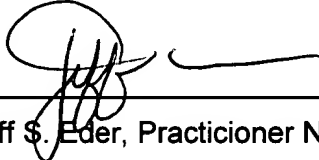
The Applicant respectfully requests consideration of the present application as amended herewith.

**Payment Enclosed**

The Applicant has enclosed payment for the information disclosure statement attached hereto.

Respectfully submitted,

Dated: 7/27/2004

  
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